

VZCZCXRO2768
PP RUEHDBU
DE RUEHKV #0131/01 0191209
ZNY CCCCC ZZH
P 191209Z JAN 07
FM AMEMBASSY KYIV
TO RUEHC/SECSTATE WASHDC PRIORITY 0960
INFO RUCNCIS/CIS COLLECTIVE
RUEHZG/NATO EU COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 KYIV 000131

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E.O. 12958: DECL: 01/18/2017

TAGS: PREL KDEM MARR RS AZ GG MD UP

SUBJECT: UKRAINE/GUAM: NEW MFA TEAM IN CHARGE, TIMING OF
CHARTER RATIFICATION REMAINS UNCERTAIN

REF: KYIV 4229

Classified By: Acting DCM Kent Logsdon for reasons 1.4(b,d)

¶1. (SBU) Summary. The Ukrainian MFA team overseeing GUAM issues told us they anticipate approval of the GUAM Charter bill in the Rada session that starts February 6. However Rada Foreign Policy Committee Chairman Vitaliy Shybko, a Socialist Party member, was more pessimistic. He noted the opposition to GUAM by the Communist Party, a member of the governing coalition, and was noncommittal when asked when the vote on the Charter might occur. The MFA team said that the law on privileges and immunities for GUAM Secretariat personnel should be approved at the next GUAM Summit in June and that the Secretariat premises should be ready for occupancy in November. They envision a strong Secretariat as key to energizing GUAM, particularly the eight substantive working groups. The MFA also felt that GUAM would be more effective if it focused at the outset only on a few issues, among them energy security, trade and transportation facilitation, and a movement towards European standards. End Summary.

¶2. (SBU) We met with Acting Head of the MFA's Political Department Oleksandr Tsvietkov, Executive Director of the GUAM Information Office Heorhiy Nazarov, who recently replaced Yevhen Koziy, and Political Department GUAM desk officer Victor Ponomariov January 10 to discuss recent GUAM developments, including Ukraine's plans for making the organization more effective and prospects for getting the Secretariat up and running. Tsvietkov noted that the

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Political Department oversaw GUAM issues at the MFA because most decisions on GUAM-related issues at this stage were political ones requiring coordination with a number of other MFA offices. Once GUAM was fully stood up as a regional organization, responsibilities for GUAM would probably be transferred to the MFA's International Organizations department.

Current Problems

¶3. (SBU) The Rada bill to approve the GUAM Charter is scheduled to be considered in the next session which starts on February 6. Tsvietkov said he anticipated approval but noted the issue is "sensitive." When we spoke with the Rada Foreign Policy Committee Chairman Vitaliy Shybko (Socialist) January 12, he sounded more pessimistic. He highlighted the continuing opposition to GUAM by coalition member the Communist Party, which views GUAM as an anti-Russian organization. Shybko was noncommittal when asked when there might be a vote on the Charter. (Note: The Charter bill was submitted to the Rada on September 2 but has not been brought to a vote, despite President Yushchenko's December 8 call to do so.)

¶4. (C) Tsvietkov opined that Moldova was waiting for Ukrainian parliamentary action before its own parliament passed the Charter, as a way of political cover and avoiding complication of Moldova's relations with Russia. In addition to the Charter, Nazarov said there needed to be a separate agreement defining the relationship between the GUAM Secretariat as an international organization and the host

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nation, i.e., Ukraine. He had reviewed the law on privileges and immunities for Secretariat personnel when he assumed his duties as head of the Information Office and suggested several changes, which he expected to be finalized at the upcoming National Coordinator's meeting and approved at the Baku GUAM Summit in June. The approved agreement on privileges and immunities would then be submitted to the Rada.

¶5. (U) Nazarov said renovation work for the Secretariat building would not be completed until November, at the earliest. He noted that money for the renovation work was in the 2007 budget, but time would be needed to develop the project, announce a tender, and complete the work. The MFA was also negotiating with Kyiv city authorities to extend the one-year lease to ten years.

¶6. (C) Nazarov said all countries except Moldova had designated a Secretariat staff member (each member state seconds an official to work on the four-person GUAM international staff) and approved in principle an annual \$120,000 contribution per member to GUAM. Moldova had wanted to save money by having a diplomat at its Embassy in Kyiv also serve part-time as Moldova's contribution to the GUAM Secretariat's full-time international staff. The other GUAM

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members rejected this approach. Nazarov explained Moldova had not understood that GUAM members were obligated not only to pay dues but also to pay the salary and other costs of providing an international staff member to the Secretariat.

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As always, financial questions were problematic for Moldova. The Ukrainian MFA expected Moldova would be slow to pay its annual contribution but it understood Moldova's financial constraints and would be flexible if, for example, Moldova wanted to make its contributions on a quarterly basis instead of in one lump sum.

And Some Small Reforms

¶7. (SBU) Nazarov envisioned a strong Secretariat as key to energizing GUAM, but, in the meantime, was working as director of the GUAM Information Office to make operational improvements. He said his efforts focused on improving GUAM member coordination within international organizations and strengthening GUAM's eight working groups. He hoped the Ukrainian government, for its part, could develop an "enforcement mechanism" to require lead ministries to take their role in the GUAM working groups more seriously. The Energy Working Group, for example, rarely met under the leadership of the Ukrainian Ministry of Fuels and Energy even though it should be meeting twice yearly. Tsvietkov said that GUAM would be more effective if it focused on a few strategic areas, such as energy security, trade and transportation facilitation, and compliance with EU standards. Nazarov also said the chairmanships of the working groups should be made permanent, rather than rotating with the GUAM presidencies, as is the case now.

Comment: Nazarov Eager, but Four Countries Must Deliver

¶8. (C) During the course of our conversation, we were impressed that Nazarov was anxious to make an impact as

Executive Director. He did not refrain from pointing out weaknesses in the work of his predecessors or his dissatisfaction with the accomplishments of the working groups. He provided clear timelines for renovation of the Secretariat premises. We are hopeful that he can work

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aggressively to operationalize GUAM and make it more effective.

¶9. (SBU) We share the view that the Secretariat will be the key to operationalizing GUAM as a regional organization. It would provide a concrete contact point for GUAM as opposed to the current four disparate MFA POCs, and it would greatly improve the internal coordination and decision making process within GUAM. Once the Secretariat is operational, the USG GUAM-Framework assistance program will help the Secretariat establish an accounting system for its budget in line with international norms. In the months ahead, Post will continue to look for ways to help the GOU move forward on the steps it must complete for the Secretariat to become operational in ¶2007. However, other members states will also have to follow through on their deliverables if the GUAM Secretariat is to be a reality in 2007.

¶10. (U) Visit Embassy Kyiv's classified website:
www.state.sgov.gov/p/eur/kiev.

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